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PHILIP MORRIS INCORPORATED
LAW DEPARTMENT MEMORANDUM
RICHMOND, VIRGINIA

*Pete for NYD
Foreign Patent Committee
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R. B. SELIGMAN

TO: A. Holtzman

FROM: A. I. Palmer

SUBJECT: FOREIGN FILING COSTS (PM 1096 et al.)

DATE: 21 March 1983

One of the unexpected outcomes of the Foreign Patent Subcommittee (FPS) meeting on March 14 was the strong recommendation of several members to file abroad rather widely--i.e. in about 20 countries, on a set of 5 or 6 related cases concerning what is being called the "Dial-A-Tar" program on variable delivery cigarettes. It is not my intention here to second guess the decision, and indeed I think it was arrived at logically, but the cost of such a widespread filing is a real concern to me, especially in view of current strenuous efforts to stay within budget for 1983.

Although it is difficult to make precise estimates of the costs involved, Chris has reviewed the records of our recent experiences and found that an overall average of \$600 per case/per country is likely. The actual cost is only about half as much in EPO countries (neglecting subsequent translation expenses), but is about 3 times more than average in many of the countries suggested. Consequently, I can now predict as much as \$75,000 in unanticipated foreign filing costs for such a massive foreign filing effort.

The question I would raise is whether seeking a supplementary budget increase might be desirable, rather than running the risk of overrunning our present budget to this extent. It seems quite early in the year to commit such a large proportion of our expected foreign filing costs for the whole year, and I doubt we can expect to make up the difference by restricting the foreign filing of other cases.

Another approach would be to file the best one or two cases fairly widely, and the others less widely or not at all, but the problem this raises is trying to decide which form of the various product configurations is most likely to be adopted commercially. Leo Meyer probably is the person best able to advise us on that aspect.

To help you and the others receiving a copy of this memo to assess the particular inventions involved, we are enclosing a set of the corresponding U.S. filing memoranda on the whole group, together with the drawings for each case.

ch
cc: G. C. Adkins
P. Clarke
M. Jaquith
R. Seligman
O. Smith
R. Thomson

Amt

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